

## RAAP TNT Plant Dedication- Speech (September 12, 2005)

Radford, Virginia

Thank you, Jim. I am pleased to return to the Radford Arsenal this morning to join in celebrating the completion of the new Flexible Energetics Facility in which TNT will be manufactured in a process that will create 60 new jobs and provide a boost to our region's economy.

While the primary purpose of the facility is the manufacture of TNT, it has been constructed so as to accommodate the production of other explosives as well. Two years ago, on this very day, I announced a federal defense contract to Alliant Techsystems which has enabled the success we celebrate today. That contract, in the amount of \$130 million over five years, designated the Radford Arsenal as the first domestic source of TNT in 17 years. When the plant begins operation next month the Arsenal will be the sole domestic supplier of TNT to the U.S. Armed Forces.

ATK secured the \$130 million Defense contract through a competitive bidding process adjudicated by the Department of Defense. There was another major bidder. The decision to award the contract to ATK and the Radford Arsenal illustrated the confidence that the federal government places in this Arsenal in its workforce and in its management.

Following the announcement of the federal contract award, work immediately began to completely renovate and up-fit the TNT facility which had been out of use since 1986. With an investment of more than \$22 million by ATK, those renovations are now complete, and the facility before us today is a state-of-the-art computer controlled and environmentally friendly manufacturing center which will produce 24 tons of TNT and next generation explosive materials per day and as much as 15 million pounds of TNT per year.

More than 60 highly paid technical jobs have been created here at the Radford Arsenal as a result of the federal TNT contract, and these individuals are currently being trained to operate the new equipment. Following their training, the plant is expected to begin production of TNT next month. The production of between 12 and 15 million pounds of TNT per year will generate an annual revenue stream of as much as \$30 million in sales for the Arsenal.

Today, we also take note of other signs of progress that point to a bright future with production increases and sustained growth at the Arsenal.

Two years ago, we also announced the announced the award of DOD contract for the design of training ammunition for the Bradley Fighting Vehicle.

And during the past month, the Arsenal has received two federal awards for modernization of facilities, one in the amount of \$21 million for the acid plant and a second in the amount of \$127 million for a variety of other work.

While \$148 million sounds like a large sum, it is really just a down payment on what will need to be spent on this 65-year-old plant as it is renovated for full service in the new century.

The true value of the new production contracts and plant modernization awards is the confidence of DOD in this Arsenal, its workforce and ATK's management which the awards reflect.

I know that we can expect continued federal investments as the 10-year modernization program at Radford progresses. And as more modern facilities are created, additional production contracts and additional new jobs will surely follow.

I want to acknowledge this morning the effective work on behalf of the Arsenal by Senator John Warner. I work in close partnership with him on a wide range of Southwest Virginia projects. He is a good friend of our region and a particularly good friend of this Arsenal.

The progress we are celebrating today was enabled in every large part by Senator Warner, and I thank him for his able assistance.

I also want to congratulate Alliant Techsystems for a job truly well done. You have competed successfully for major contract awards against strong competition. You have attracted large federal expenditures for plant modernization. The good management provided by ATK is a source of pride for all here, and I commend Jim Cates, Mark DeYoung and their team for their excellent work.

Regionally, we are proud of the success of the Radford Arsenal, and I look forward to continued work with ATK as we ensure that the Arsenal makes an even larger contribution to our region's economy in the years ahead.